

MINUTE ITEM

8/8/66

27. TERMINATION OF LEASE AND AUTHORIZATION FOR LEGAL ACTION, SUISUN PACIFIC, LTD., SUISUN SLOUGH NEAR SUISUN CITY, SOLANO COUNTY - P.R.C. 3110.1.

The Executive Officer reported, in connection with this item, that a letter had been received that morning from the legal representatives for the parties concerned, urging that the Commission postpone action for a period of sixty days in the light of the fact that there was pending a sale of the entire project. Such sale would result in a continuation of the project and payment to the State of back rental, without the necessity of entering into litigation.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED,

A RESOLUTION WAS ADOPTED DEFERRING ACTION ON THIS ITEM FOR A 60-DAY PERIOD, WITH THE FIRM UNDERSTANDING THAT NO FURTHER DEFERMENT WILL BE GRANTED TO SUISUN PACIFIC, LTD., TO MAKE PAYMENT OF RENTAL DUE THE STATE UNDER LEASE P.R.C. 3110.1.

Attachment

Calendar Item 16 (1 page)

16.

TERMINATION OF LEASE AND AUTHORIZATION FOR LEGAL ACTION, SUISUN PACIFIC, LTD., SUISUN SLOUGH NEAR SUISUN CITY, SOLANO COUNTY - P.R.C. 3110.1.

Lease P.R.C. 3110.1 was authorized by the Commission on February 26, 1964, for a term of 15 years, with the right to three 10-year renewal terms. At the time of execution the lessee tendered the first year's rental of \$4,713.18 and a deposit of a like amount for the last year's rental, for a total of \$9,426.36. The lessee has failed to pay the necessary premiums to maintain the required \$25,000 performance bond in good standing. No payment has been received from the lessee for the rent for the year ending February 25, 1966, nor for the year ending February 25, 1967. In the past 18 months the lessee has repeatedly requested 60- to 90-day "extensions" in order to secure necessary financing. No remittance whatever has been received nor has the bond been reinstated. After applying the amount paid at the time of execution of the lease, there remains a balance due of \$4,713.18.

IT IS RECOMMENDED THAT LEASE P.R.C. 3110.1, SUISUN PACIFIC, LTD., SUISUN SLOUGH NEAR SUISUN CITY, SOLANO COUNTY, BE TERMINATED, AND THAT THE ATTORNEY GENERAL BE AUTHORIZED TO TAKE SUCH LEGAL ACTION AS IS APPROPRIATE TO SECURE PAYMENT OF THE BALANCE DUE THE STATE UNDER LEASE P.R.C. 3110.1.